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INITIATIVE 260

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 260 to the Legislature is a true and correct copy as it was received by this office.

1 AN ACT Relating to limiting taxes and fees on motor vehicles and
2 light trucks; amending RCW 46.16.0621, 46.16.070, 35.58.273, and
3 81.104.160; creating new sections; and repealing RCW 35.58.274,
4 35.58.275, 35.58.276, 35.58.277, 35.58.278, 82.44.041, 82.44.110,
5 82.44.150, and 82.80.020.

6 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

TITLE

8 NEW SECTION. **Sec. 1.** This measure shall be called The Right to
9 Vote on Higher Vehicle Taxes Act.

POLICIES AND PURPOSES

11 NEW SECTION. **Sec. 2.** This measure would require license tab fees
12 to be \$30 per year for motor vehicles and light trucks and repeal some
13 vehicle-related fees and taxes, including the non-voter approved excise
14 tax that provides 20% of the funding for that multi-billion dollar
15 "train to nowhere" light rail, which is billions over budget and

dramatically changed from that previously represented to and approved by voters (under current law, light rail has the authority to replace, or even expand, these tax revenues by putting a new tax revenue package before the voters). Politicians promised "\$30 license tabs are here to stay" and promised any transportation tax package would be put to a public vote. The people expect politicians to keep their promises. As long as taxpayers must pay incredibly high sales taxes when buying motor vehicles and light trucks (meaning state and local governments receive huge windfalls of sales tax revenue from these transactions), the people want license tab fees to not exceed \$30 per year. \$30 tabs also serve as a healthy reminder to politicians that they are an employee of the people and not the boss. Without this follow-up measure, "tab creep" will continue until license tab fees are once again obscenely expensive, as they were prior to the passage of Initiative 695. The people want a public vote on any increases in transportation-related taxes, fees, and surcharges to ensure increased accountability. The people will not accept higher transportation revenues unless and until existing taxes and fees are spent as cost-effectively as possible and fundamental reforms are implemented first (with the hope that such changes will remove the need for the increases). The people also expect that dramatic changes to plans and programs presented to voters for approval will be submitted for further approval where cost overruns are significant. The people expect this measure will provide a strong incentive for all taxing districts to obtain voter approval before imposing transportation-related taxes, fees, and surcharges. However, if the legislature ignores this clear message, a referendum will be filed to ensure the voters get the final say. Politicians should just do the right thing and keep their promises.

**REQUIRING LICENSE TAB FEES TO NOT EXCEED \$30 PER YEAR
FOR MOTOR VEHICLES**

Sec. 3. RCW 46.16.0621 and 2000 1st sp.s. c 1 s 1 are each amended to read as follows:

(1) License tab fees (~~((shall be thirty dollars))~~) are required to be \$30 per year for motor vehicles, regardless of year, value, make, or model(~~((, beginning January 1, 2000))~~).

(2) For the purposes of this section, "license tab fees" are defined as the general fees for licensing motor vehicles, including cars, sport utility vehicles, motorcycles, and motor homes.

REQUIRING LICENSE TAB FEES TO NOT EXCEED \$30 PER YEAR
FOR LIGHT TRUCKS (HEAVY TRUCKS AND TRAILERS WILL CONTINUE
TO BE BASED ON GROSS WEIGHT AT THE RATES LISTED BELOW)

Sec. 4. RCW 46.16.070 and 1994 c 262 s 8 are each amended to read as follows:

(1) In lieu of all other vehicle licensing fees, unless specifically exempt, and in addition to the (~~excise tax prescribed in chapter 82.44 RCW and the~~) mileage fees prescribed for buses and stages in RCW 46.16.125, there shall be paid and collected annually for each truck, motor truck, truck tractor, road tractor, tractor, bus, auto stage, or for hire vehicle with seating capacity of more than six, based upon the declared combined gross weight or declared gross weight thereof pursuant to the provisions of chapter 46.44 RCW, the following licensing fees by such gross weight:

DECLARED GROSS WEIGHT		SCHEDULE A
SCHEDULE B		
4,000 lbs.	\$((37.00))	\$ ((37.00))
	<u>30.00</u>	<u>30.00</u>
6,000 lbs.	\$((44.00))	\$ ((44.00))
	<u>30.00</u>	<u>30.00</u>
8,000 lbs.	\$((55.00))	\$ ((55.00))
	<u>30.00</u>	<u>30.00</u>
10,000 lbs.	\$ 62.00	\$ 62.00
12,000 lbs.	\$ 72.00	\$ 72.00
14,000 lbs.	\$ 82.00	\$ 82.00
16,000 lbs.	\$ 92.00	\$ 92.00
18,000 lbs.	\$ 137.00	\$ 137.00
20,000 lbs.	\$ 152.00	\$ 152.00
22,000 lbs.	\$ 164.00	\$ 164.00
24,000 lbs.	\$ 177.00	\$ 177.00
26,000 lbs.	\$ 187.00	\$ 187.00
28,000 lbs.	\$ 220.00	\$ 220.00
30,000 lbs.	\$ 253.00	\$ 253.00
32,000 lbs.	\$ 304.00	\$ 304.00
34,000 lbs.	\$ 323.00	\$ 323.00
36,000 lbs.	\$ 350.00	\$ 350.00
38,000 lbs.	\$ 384.00	\$ 384.00
40,000 lbs.	\$ 439.00	\$ 439.00
42,000 lbs.	\$ 456.00	\$ 546.00
44,000 lbs.	\$ 466.00	\$ 556.00
46,000 lbs.	\$ 501.00	\$ 591.00
48,000 lbs.	\$ 522.00	\$ 612.00
50,000 lbs.	\$ 566.00	\$ 656.00

1	52,000 lbs.	\$ 595.00	\$ 685.00
2	54,000 lbs.	\$ 642.00	\$ 732.00
3	56,000 lbs.	\$ 677.00	\$ 767.00
4	58,000 lbs.	\$ 704.00	\$ 794.00
5	60,000 lbs.	\$ 750.00	\$ 840.00
6	62,000 lbs.	\$ 804.00	\$ 894.00
7	64,000 lbs.	\$ 822.00	\$ 912.00
8	66,000 lbs.	\$ 915.00	\$ 1,005.00
9	68,000 lbs.	\$ 954.00	\$ 1,044.00
10	70,000 lbs.	\$ 1,027.00	\$ 1,117.00
11	72,000 lbs.	\$ 1,098.00	\$ 1,188.00
12	74,000 lbs.	\$ 1,193.00	\$ 1,283.00
13	76,000 lbs.	\$ 1,289.00	\$ 1,379.00
14	78,000 lbs.	\$ 1,407.00	\$ 1,497.00
15	80,000 lbs.	\$ 1,518.00	\$ 1,608.00
16	82,000 lbs.	\$ 1,623.00	\$ 1,713.00
17	84,000 lbs.	\$ 1,728.00	\$ 1,818.00
18	86,000 lbs.	\$ 1,833.00	\$ 1,923.00
19	88,000 lbs.	\$ 1,938.00	\$ 2,028.00
20	90,000 lbs.	\$ 2,043.00	\$ 2,133.00
21	92,000 lbs.	\$ 2,148.00	\$ 2,238.00
22	94,000 lbs.	\$ 2,253.00	\$ 2,343.00
23	96,000 lbs.	\$ 2,358.00	\$ 2,448.00
24	98,000 lbs.	\$ 2,463.00	\$ 2,553.00
25	100,000 lbs.	\$ 2,568.00	\$ 2,658.00
26	102,000 lbs.	\$ 2,673.00	\$ 2,763.00
27	104,000 lbs.	\$ 2,778.00	\$ 2,868.00
28	105,500 lbs.	\$ 2,883.00	\$ 2,973.00

29 Schedule A applies to vehicles either used exclusively for
30 hauling logs or that do not tow trailers. Schedule B applies to
31 vehicles that tow trailers and are not covered under Schedule A.

32 Every truck, motor truck, truck tractor, and tractor exceeding
33 6,000 pounds empty scale weight registered under chapter 46.16,
34 46.87, or 46.88 RCW shall be licensed for not less than one hundred
35 fifty percent of its empty weight unless the amount would be in
36 excess of the legal limits prescribed for such a vehicle in RCW
37 46.44.041 or 46.44.042, in which event the vehicle shall be licensed
38 for the maximum weight authorized for such a vehicle or unless the
39 vehicle is used only for the purpose of transporting any well
40 drilling machine, air compressor, rock crusher, conveyor, hoist,
41 donkey engine, cook house, tool house, bunk house, or similar machine
42 or structure attached to or made a part of such vehicle.

1 The following provisions apply when increasing gross or combined
2 gross weight for a vehicle licensed under this section:

3 (a) The new license fee will be one-twelfth of the fee listed
4 above for the new gross weight, multiplied by the number of months
5 remaining in the period for which licensing fees have been paid,
6 including the month in which the new gross weight is effective.

7 (b) Upon surrender of the current certificate of registration or
8 cab card, the new licensing fees due shall be reduced by the amount
9 of the licensing fees previously paid for the same period for which
10 new fees are being charged.

11 (2) The proceeds from the fees collected under subsection (1) of
12 this section shall be distributed in accordance with RCW 46.68.035.

13 **REPEALING THE REMAINING MOTOR VEHICLE EXCISE TAX WHICH THE**
14 **LEGISLATURE FAILED TO FULLY REPEAL**

15 **Sec. 5.** RCW 35.58.273 and 1998 c 321 s 25 are each amended to
16 read as follows:

17 ~~((1) A municipality is authorized to levy and collect a special~~
18 ~~excise tax not exceeding .725 percent on the value, as determined~~
19 ~~under chapter 82.44 RCW, of every motor vehicle owned by a resident~~
20 ~~of such municipality for the privilege of using such motor vehicle~~
21 ~~provided that in no event shall the tax be less than one dollar and,~~
22 ~~subject to RCW 82.44.150 (3) and (4), the amount of such tax shall be~~
23 ~~credited against the amount of the excise tax levied by the state~~
24 ~~under RCW 82.44.020(1). Before utilization of any excise tax moneys~~
25 ~~collected under authorization of this section for acquisition of~~
26 ~~right of way or construction of a mass transit facility on a separate~~
27 ~~right of way the municipality shall adopt rules affording the public~~
28 ~~an opportunity for "corridor public hearings" and "design public~~
29 ~~hearings" as herein defined, which rule shall provide in detail the~~
30 ~~procedures necessary for public participation in the following~~
31 ~~instances: (a) Prior to adoption of location and design plans having~~
32 ~~a substantial social, economic or environmental effect upon the~~
33 ~~locality upon which they are to be constructed or (b) on such mass~~
34 ~~rapid transit systems operating on a separate right of way whenever a~~
35 ~~substantial change is proposed relating to location or design in the~~
36 ~~adopted plan. In adopting rules the municipality shall adhere to the~~
37 ~~provisions of the Administrative Procedure Act.~~

1 ~~(2) A "corridor public hearing" is a public hearing that: (a) Is~~
2 ~~held before the municipality is committed to a specific mass transit~~
3 ~~route proposal, and before a route location is established; (b) is~~
4 ~~held to afford an opportunity for participation by those interested~~
5 ~~in the determination of the need for, and the location of, the mass~~
6 ~~rapid transit system; (c) provides a public forum that affords a full~~
7 ~~opportunity for presenting views on the mass rapid transit system~~
8 ~~route location, and the social, economic and environmental effects on~~
9 ~~that location and alternate locations: PROVIDED, That such hearing~~
10 ~~shall not be deemed to be necessary before adoption of an overall~~
11 ~~mass rapid transit system plan by a vote of the electorate of the~~
12 ~~municipality.~~

13 ~~(3) A "design public hearing" is a public hearing that: (a) Is~~
14 ~~held after the location is established but before the design is~~
15 ~~adopted; and (b) is held to afford an opportunity for participation~~
16 ~~by those interested in the determination of major design features of~~
17 ~~the mass rapid transit system; and (c) provides a public forum to~~
18 ~~afford a full opportunity for presenting views on the mass rapid~~
19 ~~transit system design, and the social, economic, environmental~~
20 ~~effects of that design and alternate designs.~~

21 ~~((4))) A municipality ((imposing a tax under subsection (1) of~~
22 ~~this section)) may ((also)) impose a sales and use tax, in addition~~
23 ~~to the tax authorized by RCW 82.14.030, upon retail car rentals~~
24 ~~within the municipality that are taxable by the state under chapters~~
25 ~~82.08 and 82.12 RCW. The rate of tax shall not exceed 1.944 percent.~~
26 ~~((The rate of tax imposed under this subsection shall bear the same~~
27 ~~ratio to the 1.944 percent rate authorized that the rate imposed~~
28 ~~under subsection (1) of this section bears to the rate authorized~~
29 ~~under subsection (1) of this section.)) The base of the tax shall be~~
30 ~~the selling price in the case of a sales tax or the rental value of~~
31 ~~the vehicle used in the case of a use tax. The tax imposed under~~
32 ~~this section shall be deducted from the amount of tax otherwise due~~
33 ~~under RCW 82.08.020(2). The revenue collected under this~~
34 ~~((subsection)) section shall be collected and distributed in the same~~
35 ~~manner as ((special excise)) sales and use taxes under ((subsection~~
36 ~~(1) of this section)) chapter 82.14 RCW.~~

37 **NEW SECTION. Sec. 6.** The following acts or parts of acts are
38 each repealed:

1 (1) RCW 35.58.274 (Public transportation systems--Motor vehicles
2 exempt from tax) and 1985 c 7 s 100 & 1969 ex.s. c 255 s 9;

3 (2) RCW 35.58.275 (Public transportation systems--Provisions of
4 motor vehicle excise tax chapter applicable) and 1969 ex.s. c 255 s
5 10;

6 (3) RCW 35.58.276 (Public transportation systems--When tax due
7 and payable--Collection) and 1971 ex.s. c 199 s 1 & 1969 ex.s. c 255
8 s 11;

9 (4) RCW 35.58.277 (Public transportation systems--Remittance of
10 tax by county auditor) and 1979 c 158 s 91 & 1969 ex.s. c 255 s 12;

11 (5) RCW 35.58.278 (Public transportation systems--Distribution of
12 tax) and 1975 1st ex.s. c 270 s 2, 1974 ex.s. c 54 s 1, & 1969 ex.s.
13 c 255 s 13;

14 (6) RCW 82.44.041 (Valuation of vehicles) and 1998 c 321 s 4 &
15 1990 c 42 s 303;

16 (7) RCW 82.44.110 (Disposition of revenue) and 1998 c 321 s 5,
17 1997 c 338 s 68, & 1997 c 149 s 911; and

18 (8) RCW 82.44.150 (Apportionment and distribution of motor
19 vehicle excise taxes generally) and 1999 c 94 s 30, 1998 c 321 s 6,
20 1995 2nd sp.s. c 14 s 538, 1994 c 241 s 1, & 1993 c 491 s 2.

21 REPEALING THE LOCAL MOTOR VEHICLE EXCISE TAX

22 **Sec. 7.** RCW 81.104.160 and 1998 c 321 s 35 are each amended to
23 read as follows:

24 ~~((1) Cities that operate transit systems, county transportation~~
25 ~~authorities, metropolitan municipal corporations, public~~
26 ~~transportation benefit areas, and regional transit authorities may~~
27 ~~submit an authorizing proposition to the voters, and if approved, may~~
28 ~~levy and collect an excise tax, at a rate approved by the voters, but~~
29 ~~not exceeding eighty one hundredths of one percent on the value,~~
30 ~~under chapter 82.44 RCW, of every motor vehicle owned by a resident~~
31 ~~of the taxing district, solely for the purpose of providing high~~
32 ~~capacity transportation service. In any county imposing a motor~~
33 ~~vehicle excise tax surcharge pursuant to RCW 81.100.060, the maximum~~
34 ~~tax rate under this section shall be reduced to a rate equal to~~
35 ~~eighty one hundredths of one percent on the value less the equivalent~~
36 ~~motor vehicle excise tax rate of the surcharge imposed pursuant to~~
37 ~~RCW 81.100.060. This rate shall not apply to vehicles licensed under~~

1 ~~RCW 46.16.070 except vehicles with an unladen weight of six thousand~~
2 ~~pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.~~

3 ~~(2)) An agency ((imposing a tax under subsection (1) of this~~
4 ~~section)) may ((also)) impose a sales and use tax solely for the~~
5 ~~purpose of providing high capacity transportation service, in~~
6 ~~addition to the tax authorized by RCW 82.14.030, upon retail car~~
7 ~~rentals within the agency's jurisdiction that are taxable by the~~
8 ~~state under chapters 82.08 and 82.12 RCW. The rate of tax shall not~~
9 ~~exceed 2.172 percent. ((The rate of tax imposed under this~~
10 ~~subsection shall bear the same ratio to the 2.172 percent rate~~
11 ~~authorized that the rate imposed under subsection (1) of this section~~
12 ~~bears to the rate authorized under subsection (1) of this section.))~~
13 ~~The base of the tax shall be the selling price in the case of a sales~~
14 ~~tax or the rental value of the vehicle used in the case of a use tax.~~
15 ~~((The revenue collected under this subsection shall be used in the~~
16 ~~same manner as excise taxes under subsection (1) of this section.))~~

17 **LEGISLATIVE INTENT THAT OUTSTANDING BONDS BE RETIRED**
18 **IF NOT REAUTHORIZED**

19 NEW SECTION. **Sec. 8.** Any bonds previously issued for light rail
20 shall be retired using reserve funds including accrued interest, sale
21 of property or equipment, new voter approved tax revenues, or any
22 combination of these sources of revenue. The people expect taxing
23 districts to abstain from further bond sales for light rail until
24 voters decide this measure. The people encourage Sound Transit to
25 put another tax revenue measure before voters if they want to
26 continue with a light rail system dramatically changed from that
27 previously represented to and approved by voters.

28 **REPEALING THE LOCAL OPTION VEHICLE LICENSE FEE**

29 NEW SECTION. **Sec. 9.** RCW 82.80.020 (Vehicle license fee--
30 Exemptions--Limitations) and 2001 c 64 s 15, 2000 c 103 s 20, 1998 c
31 281 s 1, 1996 c 139 s 4, 1993 c 60 s 1, 1991 c 318 s 13, & 1990 c 42
32 s 206 are each repealed.

33 **CONSTRUCTION CLAUSE**

